

#### OFFICE OF THE FIRST SELECTMAN

## Michael R. Criss First Selectman, Town of Harwinton

# REVENUE, FINANCE & BONDING COMMITTEE

April 5, 2021

Good Afternoon, my name is Michael R. Criss, I am the First Selectman for the Town of Harwinton and I am submitting testimony regarding H.B. 6655 "An Act Concerning Municipal Taxation and Incentivizing Regionalization".

#### H.B. 6655 "An Act Concerning Municipal Taxation and Incentivizing Regionalization".

Thank you for the opportunity to comment and submit testimony on proposed H.B. 6655 "An Act Concerning Municipal Taxation and Incentivizing Regionalization". The Town of Harwinton is in opposition to H.B. 6655 as written which includes imposed 2.5% cap on property taxes without the benefits of replacing that revenue in the small communities with no other means of revenue.

The Municipal Spending Cap which was enacted by the legislature in 2017, which I opposed at that time due to the fact that the cap was not feasible in a community like ours which is heavily dependent on local property taxes for not only our town operations, regional school district and the ever-growing unfunded mandates from the state which has refused to cap its own spending. Here are just a few examples of the mounting costs that also highlight the state's failure to fully fund: ECS, Special Ed, Transportation, Resident Trooper Program, etc.

Although the Municipal Revenue Sharing Account (MRSA) was supposed to help offset declining revenue streams for municipalities like ours, it did not take long for the money to be diverted to the general fund to offset state spending and when MRSA was suspended, Municipal Spending Caps stayed in place with no reasonable or reliable solution from the state.

This bill as written has numerous unintended consequences and areas of concern that have yet to be explored and would result in devastating cuts to municipal services to our residents.

Further, regionalization exists and does not need to be mandated. And if towns that do not comply with regionalization are going to be incentivized to regionalize then towns like ours that have been regionalizing for years, where it works & makes sense, should be rewarded for being fiscally responsible and resourceful. Impediments to regionalization should be explored and

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removed so municipalities have the freedom to regionalize more services for a cost savings not mandated with reduced funding from the state. Shared services do not always make sense for small municipalities due to the fact that in many cases we share services better and more cost effectively than many other surrounding areas including the state.

Due to the financial strains already placed on our municipalities, our state and federal government, we need to refrain from adopting any bills or regulations that will reduce the already depleting revenues of all our municipalities. The Town of Harwinton stands ready to assist in the exploration of any efforts by the state that would help both the state and the municipalities to recover and thrive for generations to come.

Thank you for allowing me to submit testimony in opposition to H.B. 6655 on behalf of the Town of Harwinton. If you have any further questions, please feel free to contact me at any time.

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